The A. F. of L. Weekly News Service gives news summaries of planned interventions of matters affecting labor occurring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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WE PLEDGE—1 BILLION DOLLARS IN WAR SAVINGS BONDS FOR VICTORY

WHOLE NO. 1765 — WILLIAM GREEN, President — WASHINGTON, D. C., TUESDAY, FEBRUARY 6, 1945 — GEORGE MEANY, Secretary-Treasurer — VOL. 35, NO. 6

IFTU Council Refuses To Admit Soviet Unions And CIO As Members

London, England.—Led by Robert J. Watt of the American Federation of Labor, the general council of the International Federation of Trade Unions refused to favor a change in the IFTU's constitution to permit the entrance of the Congress of Industrial Organizations and the Soviet trade unions.

Mr. Watt severely arraigned the attitude of American Communists in picketing the White House and ordering strikes in munitions industries until Germany invaded Russia.

"If the British workers and the other free trade unions of the world prefer new-found friends to old and proven allies," he said, "we sincerely regret it. But let's have no hypocrisy about it. Let no one pretend that we isolated ourselves by refusing to attend the 1945 trade union Munich."

Mr. Watt explained that the attitude of the AFL on the entrance of Russian unions in the IFTU had not changed since the IFTU meeting in Oslo in 1938. At that time, he said, his organization maintained that the Russian unions were not "free trade unions" but part of the Government apparatus.

The AFL, he said, has "great admiration" for the Russian people, however. He insisted that the absence of strikes in Russia proved that trade unions did not exist there "as we know them."

Concluding with a warning against any steps that would lead to international labor disunity, Mr. Watt proposed that the IFTU convene a world trade union conference at the earliest possible time.

Besides the United States delegation, those who opposed any change in the IFTU rules to allow more than one national labor union center to affiliate with the IFTU were members from Canada, South Africa, Sweden and Czechoslovakia.

Housing—Workers Want New Homes

By HARRY C. BATES
Chairman AFL Housing Committee

(We present herewith the third of a series of articles by Mr. Bates, President of the Bricklayers, Masons and Plasterers Union, on the nation's housing problems with which he is expertly familiar.)

The American worker wants to be a home owner. The outright ownership of a home is the expressed desire of the great majority of our wage earners. Until the outbreak of the war the trend has been away from home ownership and toward tenancy. This was not a matter of preference on the part of workers, but the result of the bitter experience of a great many workers' families. Too many workers' families went through the heartbreaking foreclosure of what was to have been their own home. Too many lost their entire savings in the futile effort to become home-owners. Too many came to realize that without proper safeguards they cannot expect to undertake the burden of long-term home purchasing.

The American Federation of Labor believes that home ownership should play a major role in housing postwar America if established on a sound basis for families able to assume the obligations and risks of home purchase. The feverish home ownership movement after the first World War, which was built upon unsound appraisal methods, insecure second and third mortgages, short-term unamortized loans, and general illiquidity in mortgage investments, naturally brought many home owners, mortgage institutions, and banks to grief in the subsequent deflation. At least three fifths of the number of home owners during that boom were either foreclosed or rescued by the Home Owners' Loan Corporation in the depression which followed. By June of 1933 foreclosures were occurring at the rate of 1000 daily. The American Federation of Labor does not wish to see the same thing happen again after this war destined for similar fate.

In our cities and towns home ownership sharply declined in the 10 years preceding the war. Two thirds of our housing market in the decade of 1930s was that while more and more urban families chose to rent rather than buy, two-thirds of residential dwellings produced during that time were designed and built for sale.

Special significance attaches to the fact that the families of wage earners participated in home ownership less than any other group. In 1939 only 10 percent of all urban families whose sole source of income was wages, were either buying or owning their homes. Most wage earners in the lower paid industries and those with wage incomes of less than $1000 were forced to were tenants and were unable to afford the financial burden of home ownership. Even in the highest paid occupations and in the highest family wage income bracket of $3000 a year or more, only one-half of families were prepared to assume the risks of home buying and home ownership.

The work done by the Federal Housing Administration before the war in putting home-ownership on a sounder basis is encouraging. The FHA record in reducing the number of foreclosures has been successful by in only a part of realism, however, to admit that the risks assumed by the government under the FHA plan have not yet met their real test. The FHA has never suffered a depression and has never gone through an important decline in real estate values over a period of liquidation. Much of its success to date must be attributed to its short sighted policy of keeping down levels and the supporting effect of the wartime inflation of the last few years. Its effects, however, have been established, homes bought under FHA insurance in the process of building would be likely to weather a major deflation. We should make sure now, before it is too late, that the system of mortgage insurance is equipped to weather a storm of mass liquidation and that another collapse is averted which would lead to mass distress among home buyers.

In this connection it is necessary to stress the relation of the FHA mortgage insurance to the obligations and risks incurred by the home buyers themselves. Mortgage insurance under the FHA system entails no risk of the lender. While giving full protection to the lender, the mortgage guarantee gives no protection whatever to the home buyer. If, because of temporary unemployment or other economic hazard of the kind to which the wage earner's family is constantly exposed, there is even a brief default in payments, the buyer's savings invested in the property up to that time become a total loss along with the loss of his home.

The American Federation of Labor believes that before we reach the crisis adequate provision should be made to protect the home owner. We propose that at this time consideration be given to the following changes in the federal legislation applicable to the FHA:

(1) Easier terms should be supplied to the home purchasing family. Mortgage interest payments constitute the largest single cost to the home buyer. The present interest rate on loans fully insured by the federal government results in a yield too high for a risk-proof investment. We ask that the rate of interest on FHA insured mortgage obligations be limited to not more than 1 percent above the going federal rate of interest.

We also propose that an amortization period longer than the present 20-year limit be permitted and recommend that this limit be extended to 32 years. In this connection we suggest that consideration be given to the requirement of a fixed payment against the principal of the loan throughout the life of the mortgage to make possible a more rapid amortization during the early years of the mortgage.

(2) There should be increased flexibility in the home ownership plan to permit to accommodate the families whose future needs cannot be provided at the time of home purchase. The home buyers' investment should be protected in case of illness, death, unemployment or other causes. We recommend that provision be made for a grace period in connection with payments, extended under stringent safeguards up to two years, allowed to the buyer to make good the lapsed payments by lengthening the life of the mortgage correspondingly.

We ask that a provision be written into law protecting the home buyer against foreclosure proceedings that may unfairly burden a family long after it was forced to abandon the home for reasons beyond its control.

It would also be wise to provide for postponement forbearance on the larger payments made during good times could be used to tide the home buyer over temporary emergencies.

(3) We ask that the interests of the home buyer be safeguarded by assuring soundness of construction through compliance with firm minimum standards. We recommend the use of a system of certificates of compliance under which any failure of the builder to comply with the minimum structural standards, which may be established, would result in delay in delivery, be made subject to redress or penalties.

(4) We believe it of vital importance that proper wage and employment standards be maintained on all FHA construction. We urge that the present requirement of the law that the general prevailing wage rate be paid on FHA insured projects of $16,000 or more be extended to all home mortgages insured by the FHA under "work permit."

(5) We ask that the minimum standards of construction and the inspection procedures of the FHA be improved and strengthened and that better standards of design and planning be required, including conformity to local neighborhood plans. Neighborhood and community planning relating housing to employment, facilities, and transportation and transportation facilities, would go far toward guaranteeing a more satisfactory life of properties underwritten by the federal government and prove to be a financially sound method of advance planning. Application of such standards would provide better living conditions for those served by the insurance system actually acquired.

(Next week's article in this series will appear next week.)

LABOR IN ITALY HAILS GREETINGS FROM GREEN

Washington, D. C.—AFL President William Green, who recently sent greetings to the congress of the Italian Confederation of Labor held in Naples, Italy, last month, received a cable in reply which said in part:

"We salute you as the representative of American workers and desire their great efforts to the common cause to liberate the world from the Nazi-Fascist order."

News Briefs

115 NBC RADIO STATIONS CARRYING AFL PROGRAM

Washington, D. C.—More than 115 radio stations from coast to coast are now carrying the AFL's "America United" radio program regularly each week, the National Broadcasting Co. reported to the Federation.

"Our records do not show any sustaining programs, other than the Army Hour, which has ever had a comparable acceptance," Dwight R. Herrick, manager of NBC's public service department, said.

Because of prior commitments for commercial broadcasts, some of the stations on the NBC chain find it impossible to carry America United when it is originally broadcast. Many of these stations, however, have arranged to put on the program at a later hour or the following day. Those who would like to hear these weekly programs, therefore, are urged to consult the radio listings in their daily papers for the exact time "America United" goes on the air in their home communities.

J. D. CONNORS LEAVING ON TRIP TO BRITAIN

Washington, D. C.—John D. Connors, director of the AFL's Workers Education Bureau, will leave soon for England at the invitation of the Workers Educational Association of Great Britain, the OWI announced.

Mr. Connors, whose headquarters are in New York City, will speak before labor and educational groups in England, Scotland and Wales. He is a member of the American Federation of Teachers (AFL) and since 1937 has been vice-president of that union. He lectures on economic and labor subjects at universities and summer schools.

PUERTO RICAN LABOR ASKS SUGAR MILL VOTE

Washington, D. C.—P. Rivera Martinez, president of the Puerto Rico Federation of Labor, petitioned the National Labor Relations Board to conduct an election among the industrial workers employed in the forty-one Puerto Rico sugar mills. Agricultural workers would be excluded from the unit.

Mr. Martinez also appealed to the OPA to set a price for Puerto Rico sugar which would permit the industry to pay wages of 40 cents an hour for field workers and 50 cents an hour for factory workers. He pointed out that workers in the sugar industry net each only $250 a year, during a season lasting 120 days.

HUTCHINGS CHOSEN HEAD OF OFFICE WORKERS UNION

Cincinnati.—Paul R. Hutchings was elected first President of the newly chartered AFL International Union of Office Employes at the union's organizing convention here.

At the same time, J. Howard Hicks, who formerly served as President of the Kenyon Sanitary Ware Workers Unions which preceded the international organization, was elected secretary-treasurer of the union. Both votes were unanimous.

SUPREME COURT TO PASS ON ANTI LABOR LAWS

Washington, D. C.—The Supreme Court has agreed to review the constitutionality of Alabama and Florida anti-labor laws, it was announced by Sol B. Hoffmann, President of the Upholsterers' International Union of North America.

The petitioned meetings, scheduled for February or March, were the annual conferences of the Upholstered Furniture Department, the Slip Cover Department, Casket Workers Department, the Bedding and Mattress Workers Department and the Pacific Coast Department.

The 5 departments represent a total of more than 50,000 workers in the respective industries in the United States and Canada, the great majority of whom are engaged in the production of war materials.

UPHOLSTERERS UNION DEFERS CONVENTIONS

Philadelphia. — Postponement for the duration of 5 departmental conventions in a furtherance of war transportation economy was announced by Sol B. Hoffmann, President of the Upholsterers' International Union of North America.

The postponed meetings, scheduled for February or March, were the annual conferences of the Upholstered Furniture Department, the Slip Cover Department, Casket Workers Department, the Bedding and Mattress Workers Department and the Pacific Coast Department.

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AFL Council Urges Congress To Adopt Voluntary Plan To End Labor Wa[r]

Proof Of Manpower Waste And Hoarding Submitted To Council

Miami—Evidence of widespread waste of labor, exaggerated estimates of manpower needs and failure of government procurement agencies to work out a program for full use of facilities already in operation, was presented to the AFL Executive Council meeting here.

These facts were gathered by the AFL research staff in support of labor's contention that compulsory labor draft legislation is unnecessary and that civilian agencies should be retained to direct manpower mobilization.

As an example of manpower waste, a report from an AFL representative in Los Angeles charged that carpenters and other skilled workers in shipyards in that area were being kept in enforced idleness. The report added:

"Management refuses to release them although shortage of skilled carpenters in nearby crating yards delays the crating of munitions for shipment to the Pacific war fronts.

"Airplane parts and equipment of all kinds are piling up, waiting to be crated, while skilled carpenters in shipyards are told by management to hide themselves and are not allowed to do the work they ask permission to do."

The AFL research service declared that similar conditions exist in navy yards and in many plants working on a cost-plus basis.

The Executive Council was informed that the Taft Bill, offered as a substitute for the May-Bailey Bill in Congress, would correct these conditions by empowering the Manpower Commission to investigate and eliminate wastage and hoarding of labor.

Investigation by AFL representatives also showed that scores of companies have exaggerated their manpower requirements. In a few cases, it was found that they had been hoarding of higher paid workers while claiming manpower shortages.

To prove that the armed services do not plan contract awards so as to use production facilities fully, the AFL research service reported:

"In awarding their contracts, the armed services frequently permit a well-equipped plant with skilled manpower to close down for lack of contracts, while work which the plant could do is awarded to a rival plant or market, creating a labor shortage. An example is the 9 shops which have been formed to employ 70,000 men, thousands highly skilled, because the landing craft program was completed and the procurement services have not awarded new work to these plants. The plants are equipped to make fuses, castings, ordnance and do a wide variety of war work requiring modern machine shops. Such work is now being awarded in tight labor markets.

Among plants laying off men cited in the report were Drave Corp., Neville Island, Pa., 12,500; Missouri Valley Bridge & Iron Co., Evansville, Ind., 26,000; Chicago Bridge & Iron Co., Birmingham, Ala.; American Bridge Co., Ambridge, Pa., 6,500; Bethlehem Steel Co., near Boston, 7,000; Zenith Dredge Co., Duluth, 700; Jeffersonville Boat & Machine Co., Jefferson, Ind., 9,000; and Island Dock Co. & Hildebrand Yards, Kingston, N. Y., 1,500.

Council Telegram To Senators

Miami—The AFL Executive Council sent the following urgent telegraphic message to the U. S. Senate:

TO ALL U. S. SENATORS:

THE EXECUTIVE COUNCIL OF THE AMERICAN FEDERATION OF LABOR RESPECTFULLY REQUESTS YOU TO VOTE AGAINST THE MAY BILL AND IN FAVOR OF THE TAFT SUBSTITUTE MEASURE.

THIS ACTION OF THE EXECUTIVE COUNCIL IS BASED UPON THE FACT THAT THE MAY BILL PROVIDES FOR COMPULSION AND INVOLUNTARY SERVITUDE AND SUBJECTS CIVILIAN WORKERS TO MILITARY CONTROL, WHILE THE TAFT MEASURE PROVIDES FOR VOLUNTARY SERVICE AND CONTROL OF CIVILIAN WORKERS BY CIVILIAN AGENCIES SET UP BY THE GOVERNMENT.

THE ADVISORY COMMITTEE TO DIRECTOR OF WAR MOBILIZATION BYRNES UNANIMOUSLY EXPRESSED OPPOSITION TO THE MAY BILL WITH ITS COMPULSORY FEATURES AND IN FAVOR OF ADMINISTRATION OF MANPOWER DURING THE WAR BY THE WAR MANPOWER COMMISSION AND OTHER CIVILIAN AGENCIES.

PASSAGE OF THE MAY BILL WOULD SERIOUSLY AFFECT THE MORALE OF CIVILIAN WORKERS AND WOULD SERVE TO LOWER EFFICIENCY AND CAUSE WIDESPREAD RESENTMENT AMONG THE WORKERS OF THE NATION. PASSAGE OF THE TAFT SUBSTITUTE WOULD SERVE TO INCREASE EFFICIENCY, BUILD MORALE AND INCREASE WAR MATERIAL PRODUCTION.

LET THE WORKERS OF THE NATION CONTINUE TO DEMONSTRATE THAT FREE LABOR IS MORE EFFICIENT THAN FORCED COMPULSORY LABOR.

THE EXECUTIVE COUNCIL EARNESTLY URGES YOU TO RESPOND TO THIS APPEAL MADE IN BEHALF OF THE MILLIONS OF LOYAL WORKERS WHO ARE REPRESENTED BY THE AMERICAN FEDERATION OF LABOR.

Labor Wins Initial Fight In Senate When Action on May Bill Is Delayed

Washington, D. C.—Labor won the initial round in the Senate fight on forced labor legislation when the Military Affairs Committee decided to hold hearings, which may last more than a week, before acting upon the House-approved May bill.

Advocates of compulsory labor, who sought to stampede the committee into an immediate favorable report on the May bill, received a jolt when the hearings were made by labor and industry representatives, along with military leaders, who expressed opposition to the legislation. It is expected that at least three representatives of the AFL will be invited to testify.

Senator Joseph C. O'Mahoney, who initiated hearings he held, declared that the entire war picture has changed since the latest drive for the compulsory labor legislation was initiated. He said:

"At this time, the Russian drive had not begun. Now the Russians are at the gates of Berlin."

Other Senators, developing the same theme, indicated that if the compulsory labor bill were passed, the war in Europe might end before machinery could be organized to put it into effect. They pointed out that the defeat of Germany would result in sharp reduction of war production in the 18th country and the creation of labor surpluses, instead of shortages. They said they felt more than reluctant to vote for legislation which would enslave labor after the need for manpower controls had vanished.

Meanwhile, Senator Edwin C. Johnson exposed undercover attempts by War Department officials to sing one tune in public and an entirely different one in secret. While the War Department went along with other Government agencies in asking the Senate Military Affairs Committee to place administration of the May bill under the War Manpower Commission instead of the Selective Service system, Senator Johnson charged that private pressure work was made by high War Department officials resisting the change.

Hearings before the Senate committee will be in executive session and the public will not be admitted.

Labor forces, having lost their fight in the House by a mere 10 votes, were marshaling their forces for a sterner effort in the Senate with the prospect that the Senate will pass the Senate adopts the Taft substitute, favored by the AFL, it was believed certain that the House will agree to go along.

AFL leaders charged that sabotage from Communist-controlled CIO unions hurt labor's efforts to defeat the May bill in the House. Several Congressmen who were unwilling to vote for the May bill in the face of united labor opposition switched to back it when the Communist CIO-Communists came out in favor of the May bill. That support followed endorsement of the bill by the Daily Worker. This development was cited as another instance of the barter by which Democrats do the Communists, who are more interested in obeying Moscow's orders than protecting the rights of workers.

Hines Blasts Work-or-Fight Bill

New York City — Dominating a radio debate on compulsory labor proposals, AFL Legislative Representative Lewis G. Hines warned that "Congress finally enacts such legislation 'America will have taken a long step down the path that leads to totalitarianism.'"

Labor refuses to support the May Bill, Mr. Hines said, "because we feel that the methods proposed would retard rather than aid the war effort." The AFL's position, he added is that "compulsory legislation cannot accomplish what a voluntary effort by free labor can." Mr. Hines concluded:

"We object most strenuously to the drastic, high-pressure methods that have been employed to pit the soldier against the worker on the home front. Both are partners in the march to victory. We believe that the soldier in the battle line has confidence in his brothers and sisters on the production line at home, and he knows that they have not and will not let him down.

"Anything that tends to destroy the confidence between the soldier and the home front worker, such as trying to make it appear that work or fight legislation is needed because we have failed or are about to fail on the home front, seriously injures the morale of all our people.

"Those of us who are destined to remain on the home front will continue to produce for victory. We will do this in the traditional American way of free men. We will continue to demonstrate that American free labor can out-produce any nation anywhere."

"AMERICA UNITED"

• At 1:15 P.M., EWT, Over NBC

Date	Guest	Topic	Panel Members
Feb. 11	Secretary of Treasury Morgenthau	Paying For War	Boris Shishkin, AFL Emerson P. Schmidt, U.S. Chamber of Commerce Edward A. O'Neal, Am. Farm Bur. Federation
Feb. 18	Rep. Ramspeck	White Collar Workers	James B. Burns, AFL Emerson P. Schmidt, U.S. Chamber of Commerce Paul Sifton, National Farmers Union

• Because a number of radio stations are carrying the program by transcription at another hour or even at a later date, please consult the radio listings in your local paper for the exact time "America United" goes on the air in your community.

THE AFL PRESENTS . . .

AFL Leaders ... and Defeat Of May ... And Favor Taft Bill

Miami — Opening its annual mid-winter session with a bang, the AFL Executive Council took these immediate actions:

1—It called upon the U. S. Senate to reject the House-approved May Bill, calling for a labor draft, and adopt instead the Taft substitute which retains voluntary controls and is aimed at elimination of labor waste and hoarding.

2—It prepared to settle once and for all the question of re-affiliation of the United Mine Workers Union.

3—It accepted President William Green's report on the amicable adjustment of long standing jurisdictional differences between the International Association of Machinists on one side and the International Brotherhood of Carpenters and the International Union of Operating Engineers on the other.

The Executive Council left no room for doubt on its stand with regard to the so-called work or fight legislation which is considered the most dangerous blow directed at labor's basic freedoms in many years.

By unanimous vote the Council condemned the May Bill as a precursor to slave labor in America and urged the U. S. Senate to defeat it.

The Council declared the May Bill would hurt war production, instead of increasing it, the Council strongly recommended the adoption of the Taft substitute. This measure, which lost by only a handful of votes in the House where it was introduced by Rep. Barrett of Wyoming, would leave administration of manpower problems where it is now lodged—with the War Manpower Commission.

But the bill goes much further. It empowers' the War Manpower Commission for the first time with authority to go into war plants and investigate labor waste and hoarding. If such investigation shows that surplus manpower exists, the Commission would be empowered to order the release of workers not needed so that they could be funneled into other war plants where actual shortages may exist.

The Executive Council firmly denied that a real or dangerous manpower shortage exists in any part of the country at the present time. Local labor shortages which develop from time to time can best be adjusted by voluntary methods through the recruited and inefficient machinery of draft boards.

With regard to the re-affiliation of the United Mine Workers, Mr. Green told newspaper reporters that he expected the Council to make a final decision one way or another at this meeting. He said he would submit to the Council correspondence which has taken place with officers of the miners' union since the AFL convention.

During the next few days, the Council will give its consideration to a long list of vital legislative proposals affecting the labor movement.

It will also draft reports on postwar action necessary to establish economic and social security in America when the fighting ends.

16,500 Disputes Settled—Tracy

Washington, D. C.—The U. S. Conciliation Service settled 16,500 labor-industrial disputes involving more than six million workers, thus preventing many strikes, Assistant Secretary of Labor Dan W. Tracy declared in a review of the department's activities during the past fiscal year.

Bear in mind that the working time saved in this way went into production of war material for all our fighting forces," he emphasized.

Attacking propaganda about high wartime wages, Mr. Tracy pointed out that the War Agencies and Public Contracts Division in the past year found that more than 15 million dollars in back wages was due to more than a half million workers, many of whom had been paid less than the 40 cent an hour minimum required by the Fair Labor Standards Act.

He pointed out that women workers have been rendered important services by the Women's Bureau of the department which kept a watchful eye over conditions of employment and helped to increase production.

The safety activities of the Division of Labor Standards, Mr. Tracy said, resulted in a marked reduction of on-the-job accidents in three-quarters of the plants that enlisted the department's help. This reduction of accidents, he explained, constituted a great saving in human suffering and in labor available for the war program.